

# MADERA COUNTY ECONOMIC FORECAST

The Madera County economy is creating jobs at a rapid rate. In 2017, the county gained more than 1,000 non-farm jobs, representing a growth rate of 2.9 percent. The best performing sectors were leisure services, healthcare, and government. Together, these industries accounted for more than 90 percent of net job creation during the year.

Construction activity is accelerating in Madera County, but is still very low. Only 438 homes were built in 2017, and only \$41 million was invested into non-residential structures. Most of this activity was associated with a single project near Highway 41 and the Fresno County Boarder. This project represents that vast majority of Madera County's development pipeline, and could generate more than 33,000 homes and millions of square feet of commercial and industrial real estate. Complete buildout is not expected for several decades, but the project could virtually double the county's population.

People are moving to Madera County for its affordable homes. Across Coastal California, households often spend more than 35 percent of their income on mortgage payments and rent. But in Madera County this figure is typically less than 25 percent, although there are a substantial number of households near the poverty line that spend much more.

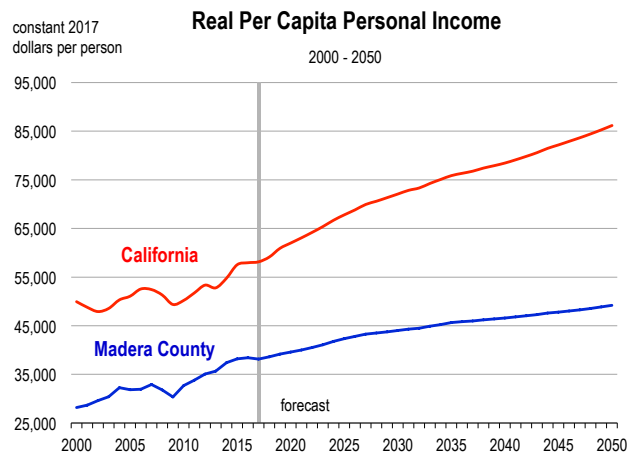
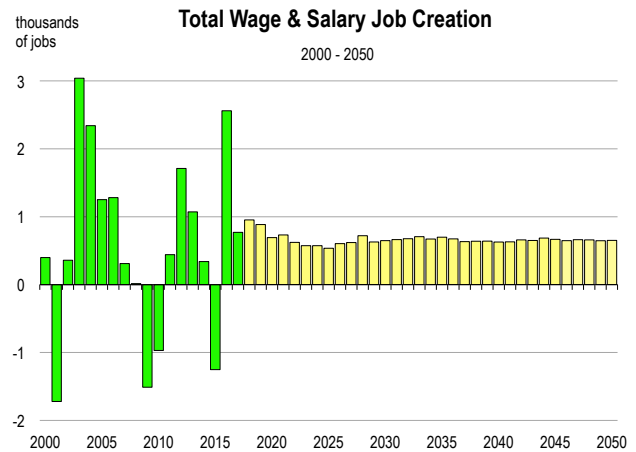
Affordable housing and increasing job prospects are being observed in most of the Central Valley, making it the fastest growing region of the state. This includes Madera County, where almost 700 net migrants entered the county in 2017, leading to overall population growth of 1.3 percent.

Madera County has a large agricultural sector. It represents 24 percent of the local job market and produces nearly \$2 billion in economic output each year. Two of its most prominent commodities are almonds and milk, but production of these goods has diminished in recent years. Global prices for these products have declined by 30 to 40 percent, meaning less revenue for local farms and layoffs of agricultural workers. In total, Madera County agricultural output has fallen by more than half a billion dollars since 2014.

The unemployment rate improved substantially last year, falling from 9.2 percent in 2016 to 8.1 percent in 2017. But it is still much higher than most parts of California. This is largely due to the county's prominent share of seasonal workers (primarily in agriculture), who are often unemployed for several months each year. Because of this dynamic, the Madera County unemployment rate is already near its lowest sustainable level, and is not expected to improve substantially during the forecast period.

## FORECAST HIGHLIGHTS

- In 2018, total wage and salary employment will increase by 1.9 percent. From 2018 to 2023, total employment will grow at an annual average rate of 1.4 percent.
- The strongest employment gains will be observed in education and healthcare, as well as government. Combined, these industries will account for 63 percent of net job creation between 2018 and 2023.
- Average salaries are currently below the California State average, and will remain so over the foreseeable future. In Madera County,



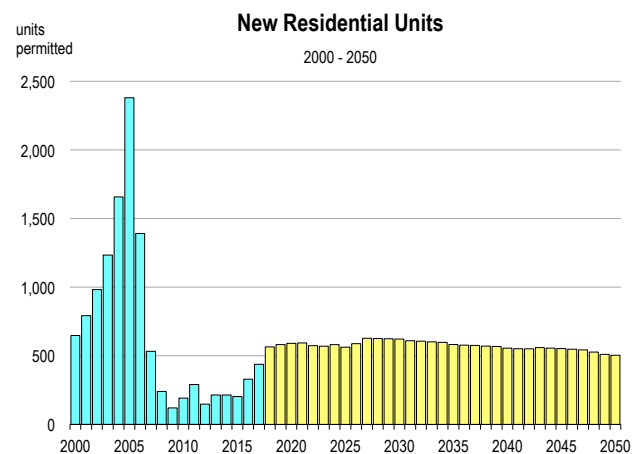
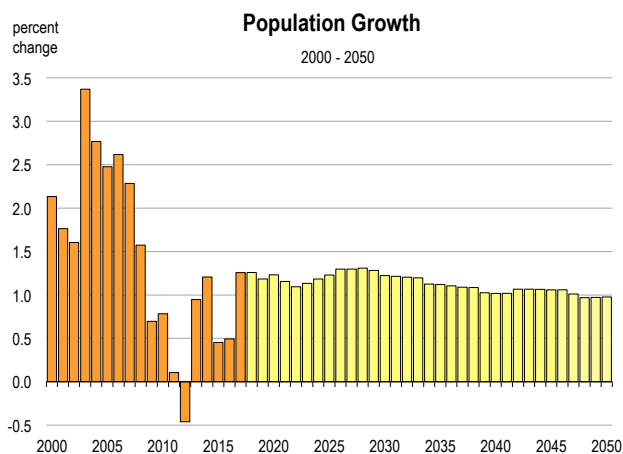
inflation-adjusted salaries are expected to rise by an average of 1.8 percent per year between 2018 and 2023, which will be similar to statewide growth.

- Housing production will accelerate over the forecast period, with an average of 580 units built each year through 2023.
- Because Madera County has large amounts of buildable land, the development process will spread out into single-family communities, rather than be forced up into multifamily skyscrapers.
- The population will continue to expand quickly. Annual growth in the 2018-2023 period is expected to average 1.2 percent.
- Net migration will remain strong, with an average of 540 net migrants entering the county each year through 2023. And because Madera County has a young population, the natural increase (new births) will add 1,300 residents to the county each year.

# Madera County Economic Forecast

## 2010-2017 History, 2018-2050 Forecast

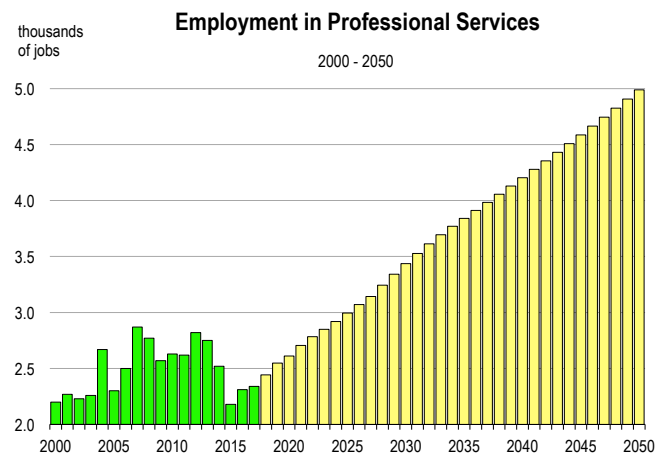
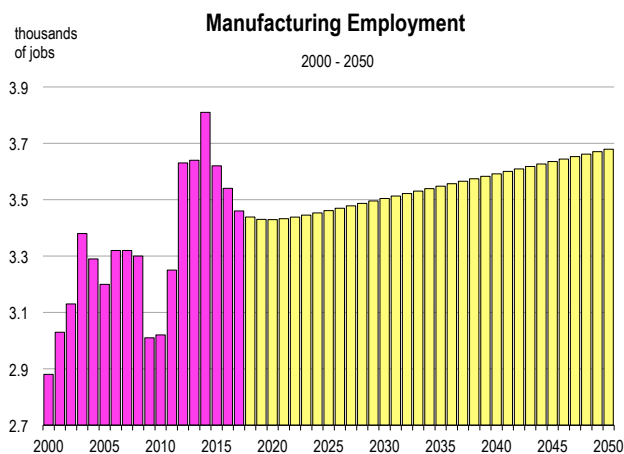
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	151,329	-326	129	43.3	192	\$1.2	\$4.3	\$32,688	1.3	1.56	859.4	16.6
2011	151,489	-1,271	128	43.4	291	\$1.3	\$4.5	\$33,797	2.7	1.77	824.9	16.2
2012	150,791	-2,029	128	43.6	148	\$1.4	\$4.8	\$35,071	2.7	1.92	983.5	14.5
2013	152,220	189	132	43.8	214	\$1.4	\$5.0	\$35,688	2.3	2.06	1,030.8	12.6
2014	154,057	621	134	43.9	214	\$1.5	\$5.4	\$37,375	2.8	2.42	1,133.4	11.2
2015	154,753	-531	137	44.1	203	\$1.5	\$5.6	\$38,195	2.6	2.13	1,096.1	10.5
2016	155,518	-481	141	44.2	329	\$1.5	\$5.8	\$38,436	3.1	1.87	1,059.6	9.2
2017	157,472	691	142	44.6	438	\$1.6	\$6.0	\$38,158	3.2	1.91	1,048.0	8.1
2018	159,453	681	144	45.0	565	\$1.7	\$6.3	\$38,616	3.7	1.92	1,113.1	7.6
2019	161,341	566	146	45.5	582	\$1.8	\$6.7	\$39,190	3.1	1.93	1,109.1	7.3
2020	163,328	647	148	46.1	591	\$1.9	\$7.0	\$39,575	4.1	1.94	1,119.0	7.5
2021	165,215	537	150	46.7	594	\$1.9	\$7.4	\$39,991	3.6	1.96	1,147.7	7.6
2022	167,022	446	152	47.3	574	\$2.0	\$7.8	\$40,504	3.5	1.97	1,170.9	7.8
2023	168,915	525	153	47.9	570	\$2.1	\$8.2	\$41,092	3.4	1.98	1,199.7	7.9
2024	170,914	622	154	48.5	581	\$2.2	\$8.6	\$41,771	3.3	2.00	1,229.2	8.1
2025	173,014	710	156	49.1	563	\$2.3	\$9.1	\$42,339	3.1	2.01	1,256.0	8.2
2026	175,259	835	157	49.7	588	\$2.4	\$9.5	\$42,802	3.1	2.02	1,283.8	8.2
2027	177,533	842	159	50.3	628	\$2.5	\$9.9	\$43,252	3.0	2.04	1,313.2	8.2
2028	179,856	878	161	50.9	626	\$2.6	\$10.4	\$43,514	3.3	2.05	1,341.8	8.2
2029	182,162	845	162	51.5	624	\$2.7	\$10.8	\$43,753	3.1	2.06	1,371.0	8.2
2030	184,390	750	164	52.2	622	\$2.8	\$11.3	\$44,015	3.0	2.08	1,401.1	8.2
2031	186,629	754	165	52.8	610	\$2.9	\$11.7	\$44,304	2.9	2.09	1,432.2	8.2
2032	188,876	757	167	53.4	606	\$3.0	\$12.2	\$44,486	3.1	2.10	1,464.0	8.2
2033	191,137	767	169	54.0	602	\$3.1	\$12.7	\$44,884	2.7	2.12	1,496.8	8.2
2034	193,288	655	170	54.6	598	\$3.2	\$13.2	\$45,255	2.9	2.13	1,530.0	8.2
2035	195,453	663	172	55.2	582	\$3.4	\$13.7	\$45,629	3.0	2.14	1,563.9	8.2
2036	197,613	653	174	55.8	578	\$3.5	\$14.3	\$45,841	3.4	2.16	1,598.0	8.2
2037	199,765	637	175	56.4	576	\$3.6	\$14.9	\$46,001	3.5	2.17	1,632.7	8.2
2038	201,933	637	177	57.0	570	\$3.7	\$15.5	\$46,228	3.3	2.18	1,668.3	8.2
2039	204,003	535	179	57.6	568	\$3.9	\$16.2	\$46,400	3.5	2.20	1,704.5	8.2
2040	206,078	528	180	58.1	556	\$4.0	\$16.8	\$46,578	3.4	2.21	1,741.5	8.2
2041	208,177	527	182	58.7	552	\$4.1	\$17.5	\$46,800	3.2	2.22	1,779.5	8.2
2042	210,396	635	183	59.3	551	\$4.2	\$18.2	\$47,038	3.1	2.24	1,818.3	8.2
2043	212,640	630	185	59.8	560	\$4.4	\$18.9	\$47,282	3.0	2.25	1,858.1	8.2
2044	214,903	640	187	60.4	556	\$4.5	\$19.6	\$47,593	2.8	2.26	1,898.9	8.2
2045	217,178	632	188	61.0	552	\$4.6	\$20.3	\$47,819	3.0	2.27	1,940.4	8.2
2046	219,477	623	190	61.5	548	\$4.7	\$21.1	\$48,046	2.9	2.29	1,982.9	8.2
2047	221,696	527	192	62.1	543	\$4.9	\$21.8	\$48,287	2.9	2.30	2,026.5	8.2
2048	223,842	424	193	62.6	527	\$5.0	\$22.6	\$48,563	2.9	2.31	2,071.1	8.1
2049	226,017	418	195	63.1	510	\$5.1	\$23.5	\$48,863	2.9	2.33	2,116.6	8.1
2050	228,225	418	196	63.7	504	\$5.3	\$24.4	\$49,180	2.9	2.34	2,163.2	8.1

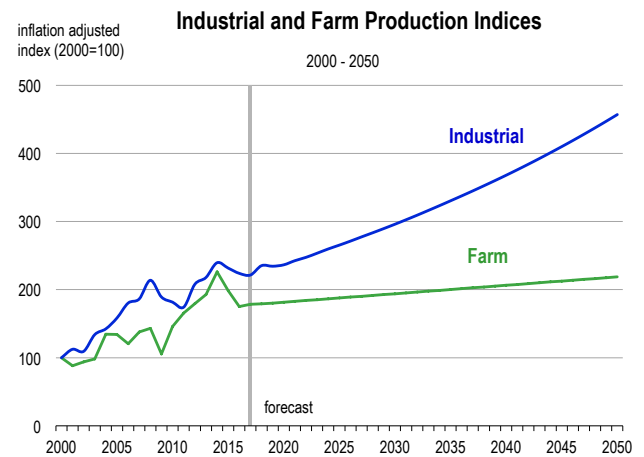
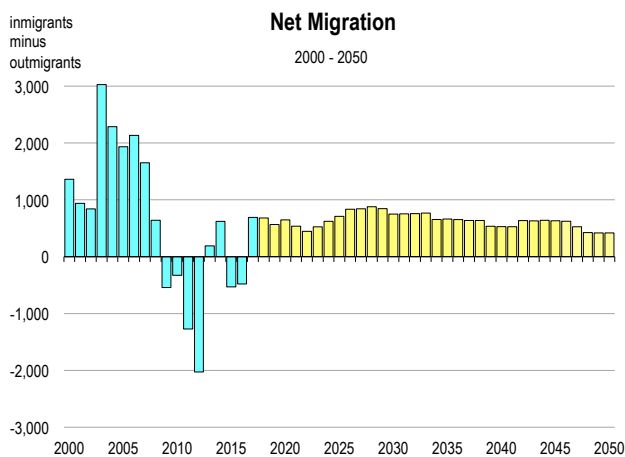
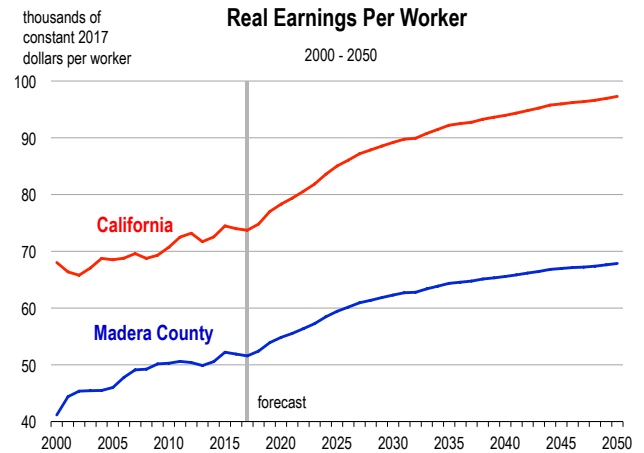
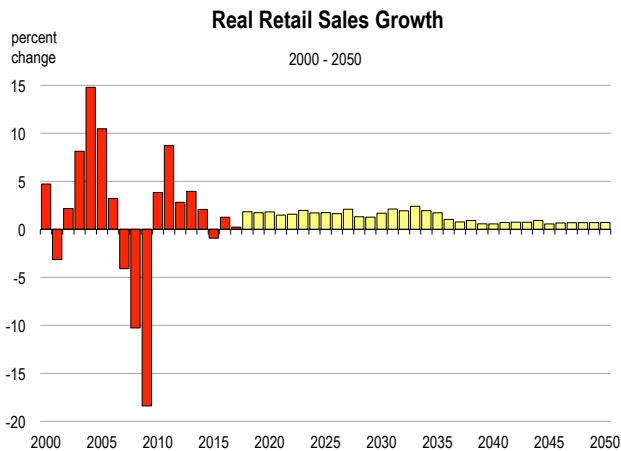


# Madera County Employment Forecast

## 2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2010	43.9	10.2	1.1	3.0	0.8	4.0	0.7	2.6	0.4	7.0	2.5	10.6
2011	44.4	10.8	1.1	3.3	0.7	4.0	0.7	2.6	0.4	7.1	2.5	10.4
2012	46.1	11.5	1.1	3.6	0.8	4.1	0.8	2.8	0.4	7.3	2.7	10.1
2013	47.2	12.1	1.2	3.6	0.9	4.3	0.8	2.8	0.4	7.6	2.9	9.7
2014	47.5	11.8	1.3	3.8	0.9	4.4	0.8	2.5	0.4	7.6	3.0	9.8
2015	46.2	11.3	1.5	3.6	0.9	4.5	0.8	2.2	0.4	7.7	3.1	9.2
2016	48.8	12.1	1.8	3.5	0.9	4.6	0.9	2.3	0.3	7.8	3.3	10.4
2017	49.6	11.8	1.8	3.5	1.0	4.6	0.9	2.3	0.3	8.3	3.4	10.7
2018	50.5	11.8	2.1	3.4	1.0	4.7	0.9	2.4	0.3	8.5	3.5	10.9
2019	51.4	11.9	2.2	3.4	1.0	4.7	0.9	2.5	0.3	8.7	3.6	11.2
2020	52.1	11.9	2.2	3.4	1.0	4.7	0.9	2.6	0.3	9.0	3.6	11.4
2021	52.8	12.0	2.2	3.4	1.0	4.8	0.9	2.7	0.3	9.2	3.7	11.7
2022	53.5	12.0	2.2	3.4	1.0	4.8	0.9	2.8	0.3	9.4	3.7	11.9
2023	54.0	12.1	2.2	3.4	1.1	4.9	0.9	2.8	0.3	9.6	3.8	12.0
2024	54.6	12.1	2.2	3.5	1.1	4.9	0.9	2.9	0.3	9.8	3.8	12.2
2025	55.1	12.2	2.2	3.5	1.1	4.9	0.9	3.0	0.3	9.9	3.8	12.3
2026	55.7	12.2	2.2	3.5	1.1	5.0	0.9	3.1	0.3	10.1	3.9	12.5
2027	56.4	12.3	2.2	3.5	1.1	5.0	0.9	3.1	0.3	10.4	3.9	12.7
2028	57.1	12.3	2.2	3.5	1.1	5.0	0.9	3.2	0.3	10.6	3.9	12.9
2029	57.7	12.4	2.2	3.5	1.1	5.1	0.9	3.3	0.3	10.8	4.0	13.1
2030	58.4	12.4	2.2	3.5	1.1	5.1	0.9	3.4	0.3	11.0	4.0	13.3
2031	59.0	12.5	2.2	3.5	1.2	5.2	0.9	3.5	0.3	11.2	4.0	13.6
2032	59.7	12.5	2.2	3.5	1.2	5.2	0.9	3.6	0.3	11.4	4.1	13.8
2033	60.4	12.5	2.2	3.5	1.2	5.3	0.9	3.7	0.3	11.5	4.1	14.1
2034	61.1	12.6	2.2	3.5	1.2	5.3	0.9	3.8	0.3	11.7	4.2	14.3
2035	61.8	12.6	2.2	3.5	1.2	5.4	0.9	3.8	0.3	11.9	4.2	14.6
2036	62.4	12.7	2.2	3.6	1.2	5.4	0.9	3.9	0.3	12.1	4.2	14.8
2037	63.1	12.7	2.2	3.6	1.2	5.4	0.9	4.0	0.3	12.3	4.3	15.1
2038	63.7	12.8	2.2	3.6	1.2	5.5	0.9	4.1	0.3	12.5	4.3	15.4
2039	64.4	12.8	2.2	3.6	1.2	5.5	0.9	4.1	0.3	12.7	4.4	15.6
2040	65.0	12.9	2.2	3.6	1.2	5.5	0.9	4.2	0.3	12.9	4.4	15.9
2041	65.6	12.9	2.2	3.6	1.3	5.5	0.9	4.3	0.3	13.0	4.5	16.1
2042	66.3	13.0	2.1	3.6	1.3	5.5	0.9	4.4	0.3	13.2	4.5	16.4
2043	66.9	13.0	2.1	3.6	1.3	5.6	0.9	4.4	0.3	13.4	4.6	16.7
2044	67.6	13.1	2.2	3.6	1.3	5.6	0.9	4.5	0.3	13.6	4.6	16.9
2045	68.3	13.1	2.2	3.6	1.3	5.6	0.9	4.6	0.3	13.8	4.6	17.2
2046	68.9	13.1	2.2	3.6	1.3	5.6	0.9	4.7	0.3	13.9	4.7	17.5
2047	69.6	13.2	2.1	3.7	1.3	5.7	0.9	4.7	0.3	14.1	4.7	17.7
2048	70.2	13.2	2.1	3.7	1.3	5.7	0.9	4.8	0.3	14.3	4.8	18.0
2049	70.9	13.3	2.1	3.7	1.3	5.7	0.9	4.9	0.3	14.4	4.9	18.3
2050	71.5	13.3	2.1	3.7	1.3	5.7	0.9	5.0	0.3	14.6	4.9	18.6





## County Economic and Demographic Indicators

### Projected Economic Growth (2018-2023)

Expected retail sales growth:	8.9%
Expected job growth:	6.9%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	12.7%

Expected population growth:	5.9%
Net migration to account for:	28.8%
Expected growth in number of vehicles:	6.0%

### Demographics (2018)

Unemployment rate (April 2018):	7.3%
County rank* in California (58 counties):	48th
Working age (16-64) population:	61.7%

Population with B.A. or higher:	14.5%
Median home selling price (2017):	\$230,000
Median household income:	\$51,412

### Quality of Life

Violent crime rate (2016):	640 per 100,000 persons
County rank* in California (58 counties):	54th
Average commute time to work (2018):	28 minutes

High school drop out rate (2017):	8.1%
Households at/below poverty line (2018):	19.5%

\* The county ranked 1st corresponds to the lowest rate in California